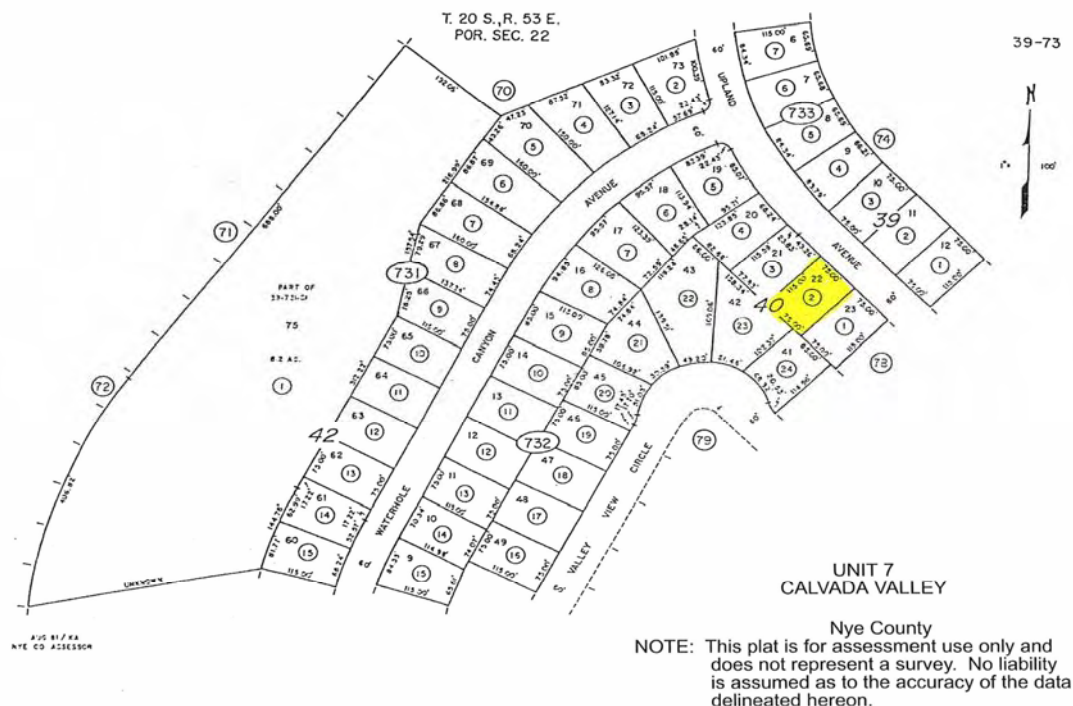
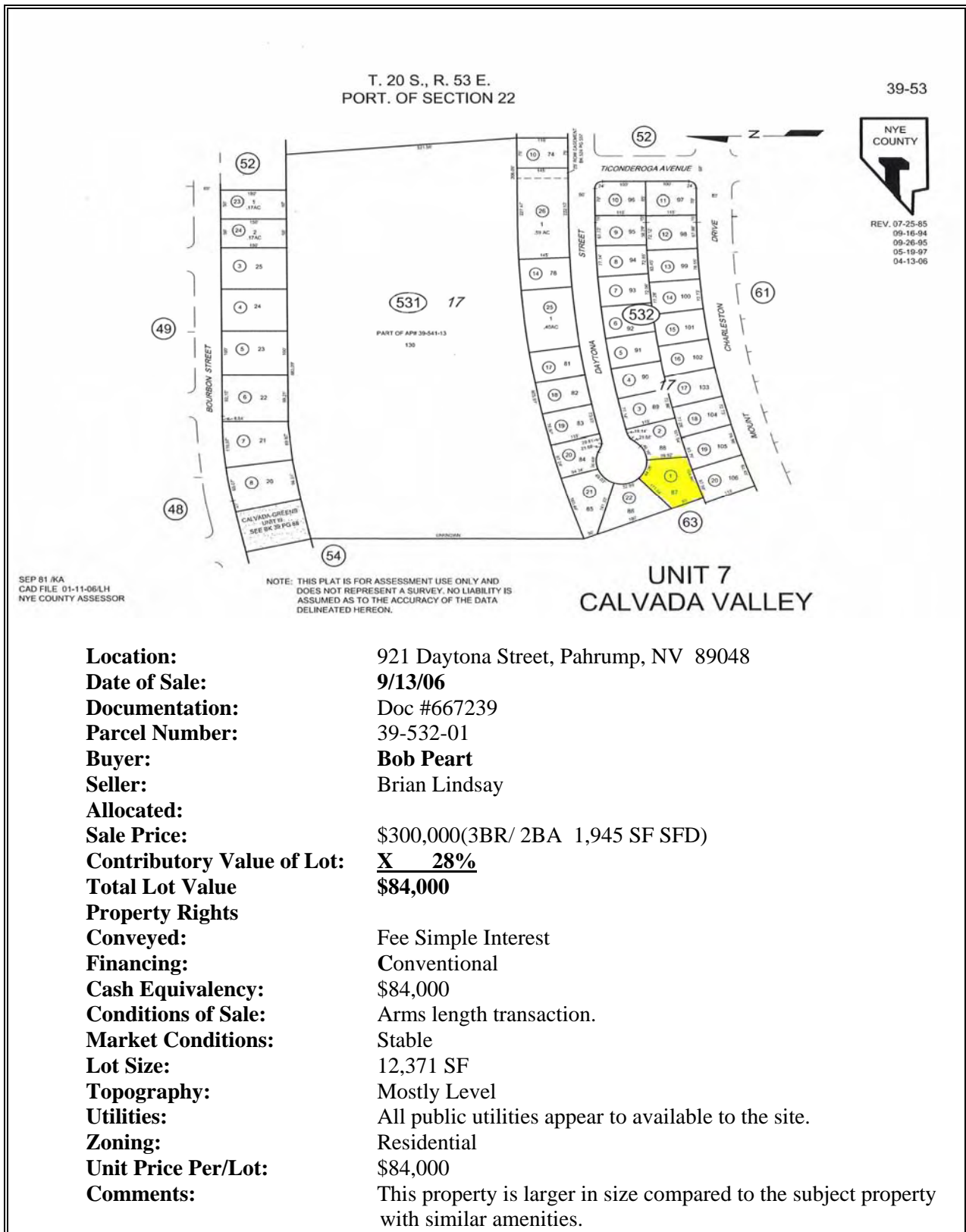
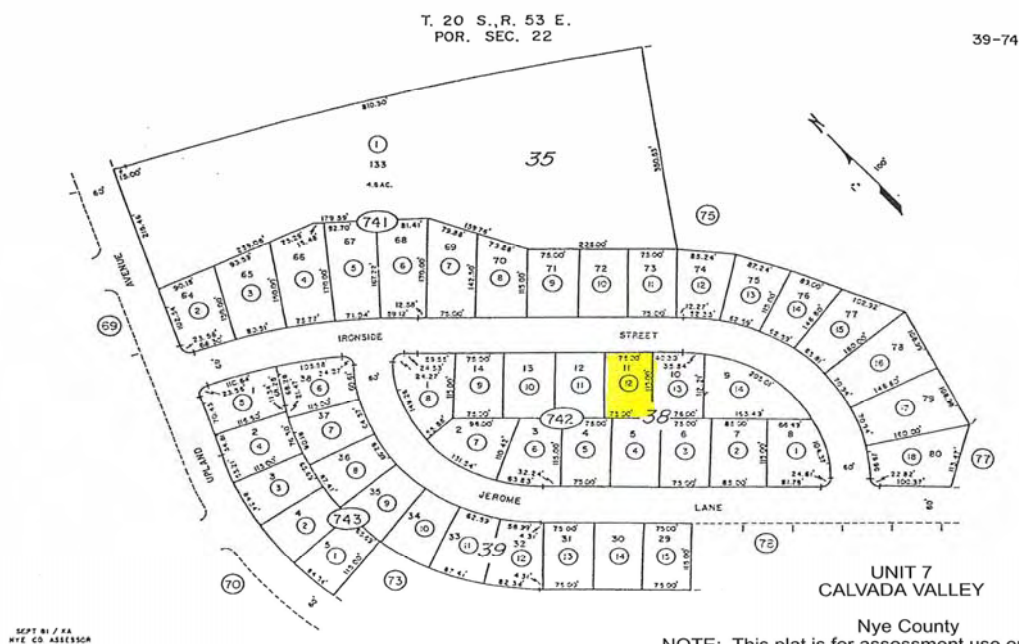


FINISHED LOT SALE COMPARISON #1 (Allocation)



Location:	1830 Upland Avenue, Pahrump, NV 89048
Date of Sale:	6/30/06
Documentation:	Doc #661866
Parcel Number:	39-732-02
Buyer:	Michael Kerro
Seller:	Michael Deakove
Allocated:	
Sale Price:	\$270,000(3BR/ 2BA 1,945 SF SFD)
Contributory Value of Lot:	X 28%
Total Lot Value	\$75,600
Property Rights	
Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$75,600
Conditions of Sale:	Arms length transaction.
Market Conditions:	Stable
Lot Size:	8,625 SF
Topography:	Mostly Level
Utilities:	All public utilities appear to available to the site.
Zoning:	Residential
Unit Price Per/Lot:	\$75,600
Comments:	This property is similar in size to the subject property with similar amenities.

FINISHED LOT SALE COMPARISON #2 (Allocation)

FINISHED LOT SALE COMPARISON #3 (Allocated)

Location:	1790 Ironside Street, Pahrump, NV 89048
Date of Sale:	5/30/06
Documentation:	Doc #658749
Parcel Number:	39-742-12
Buyer:	Raymond Johnson
Seller:	Sharon Warren
Allocated:	
Sale Price:	\$286,000(3BR/ 2BA 2,016 SF SFD)
Contributory Value of Lot:	X 25%
Total Lot Value	\$80,080
Property Rights	
Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$80,080
Conditions of Sale:	Arms length transaction.
Market Conditions:	Stable
Lot Size:	8,625 SF
Topography:	Mostly Level
Utilities:	All public utilities appear to be available to the site.
Zoning:	Residential
Unit Price Per/Lot:	\$80,080
Comments:	This property is similar in size to the subject property with similar amenities.

ANALYSIS AND CONCLUSION (continued)**FINISHED LOT SALES COMPARISON GRID (As of 3/5/2015)**

FACTOR	SUBJECT	NO. 1		NO. 2		NO. 3	
Location	Thousandaire Blvd. Pahrump, NV	1830 Upland Pahrump, NV		921 Daytona Street Pahrump, NV		1790 Ironside Street Pahrump, NV	
Date of Sale	3/5/2015	6/30/06		9/13/06		5/30/06	
Sale Price	\$60,000	\$75,600		\$84,000		\$80,080	
Lot Size	7,000 SF	8,625 SF		12,371 SF		8,625 SF	
Price per Lot	\$60,000	\$75,600		\$84,000		\$80,080	
CHARACTERISTIC SUBJECT							
Property Rights	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Financing Terms	Cash	Cash		Cash		Cash	
Conditions of Sale	Arm’s Length	Arm’s Length		Arm’s Length		Arm’s Length	
Market Conditions	Prospective Stable	Similar	-0-	Similar	-0-	Similar	-0-
Adjusted Price/Lot	\$60,000	\$75,600		\$84,000		\$80,080	
PHYSICAL ADJUSTMENTS							
Size	7,000 SF	8,625 SF	(2,500)	12,371 SF	(10,900)	8,625 SF	(2,500)
Location	Average	Good	(3,000)	Good	(3,000)	Good	(3,000)
Amenities	Yes	Similar	-0-	Similar	-0-	Similar	-0-
View	Good	Similar	-0-	Similar	-0-	Superior	(4,480)
ADJUSTMENTS							
Location	(3,000)	72,600		81,000		77,080	
Size 1 & 2	(2,500); (10,900)	70,100		70,100		74,580	
View 1 & 3	(4,480)	70,100		70,100		70,100	
Net Adjustment		(5,500)		(13,900)		(9,980)	
Adjusted Unit Price	\$70,100	\$70,100		\$70,100		\$70,100	
WEIGHTED VALUES							
Reliability (1-10)		8		8		8	
Contribution (%)		0.333		0.333		0.333	
Contribution (\$)	\$70,100	\$23,366		\$23,367		\$23,367	

ANALYSIS AND CONCLUSION (continued)

THE SALES COMPARISON APPROACH TO VALUE (continued)**A. Typical Finished Lot Value Analysis (continued)****1. Sales Comparison Analysis****a. Property Rights, Financing Terms and Conditions of Sale:**

All comparable site sales were sold or listed as Fee Simple Estates. Financing terms for the sales represented cash or its equivalent to the sellers. Lastly, Conditions of Sale were based on an arm's length basis. These three characteristics of the sale properties are equal to the assumptions being applied to the subject property. Consequently, no adjustments were necessary for these three characteristics of the sale properties.

b. Time and Market Conditions:

Market Value estimates assume an open and competitive marketplace. Current market conditions leading up to the date of appraisal have been a period of increasing market activity. Proper analysis of sales transactions in comparison to the subject is for circumstances to parallel the definition of Market Value. To the extent that any of the conditions of a sale differ substantially from the elements in the definition, without appropriate adjustment, the transaction fails as evidence of Market Value. The subject property is being appraised as of a prospective date of 3/5/2015 at which time market participants are predicting stable market conditions. All three comparable lot sales were also sold during stable market conditions. Therefore, no adjustments were made.

c. Location Adjustment:

All three Comparable Lot Sales are closer to goods and services compared to the subject property. Therefore, a downward adjustment of \$3,000 per lot was made to all three Comparable Lot Sales.

d. Size Adjustment:

Comparable Sale #1 & #3 are slightly larger than the subject. Therefore, a downward adjustment of \$2,500 per lot was made to Comparable Sale #1 & #3. After this adjustment was made, a matched pair was found between comparable sale #1 & #2. They are exactly alike except Comparable Sale #2 is larger. Therefore, a downward adjustment of \$10,900 was made to comparable sale #2.

e. View Adjustment:

A matched pair was found between comparable sale #1 & #3. They are exactly alike except comparable sale #3 has a superior view. Therefore, a downward adjustment of \$4,480 per lot was made to comparable sale #3.

f. Location with the Subdivision Adjustment:

All three Comparable lot sales have similar locations within the subdivision. Therefore, no adjustments were necessary.

ANALYSIS AND CONCLUSION (continued)**THE SALES COMPARISON APPROACH TO VALUE (continued)****A. Typical Finished Lot Value Analysis (continued)****2. Finished Lot Value Conclusion**

The lot sales described in this report were representative of the current market in the subject's neighborhood. These sales allowed for derivation of market adjustments to be applied for differences between the sales and subject property. The results from the grid indicated a range of \$70,100 per lot with an adjusted price per lot of \$70,100 for the subject site.

Reliability factors from 1 to 10, 10 being the most comparable, were assigned to the comparable sales. The sales were rated for reliability on the basis of size and number of adjustments. Adding these factors together and dividing individually indicated a percent contribution for each sale. Multiplying these contributions by the adjusted sale value indications per acre indicated a dollar contribution per sale. Adding these dollar contributions together indicated a dollar per lot value for the subject site. The market value indication of the typical finished lot can therefore, be calculated as follows:

Per Typical Lot Value Indication by Comparable Sales Analysis	=	\$70,100
FINISHED LOT MARKET VALUE INDICATION BY COMPARABLE SALES (Rounded)	=	\$70,100

Therefore, it is my opinion that the aggregate "retail" market value of the fee simple interest for the subject's 4,630 lots as of March 5, 2015 if sold to individual purchasers, as of March 5, 2015, is as follows:

AGGREGATE RETAIL OF 4,630 LOTS	X	\$70,100	=	\$324,563,000
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\$324,563,000 (\$70,100/Finished Lot)

(THREE HUNDRED TWENTY FOUR MILLION FIVE HUNDRED SIXTY THREE THOUSAND DOLLARS)

ANALYSIS AND CONCLUSION (continued)

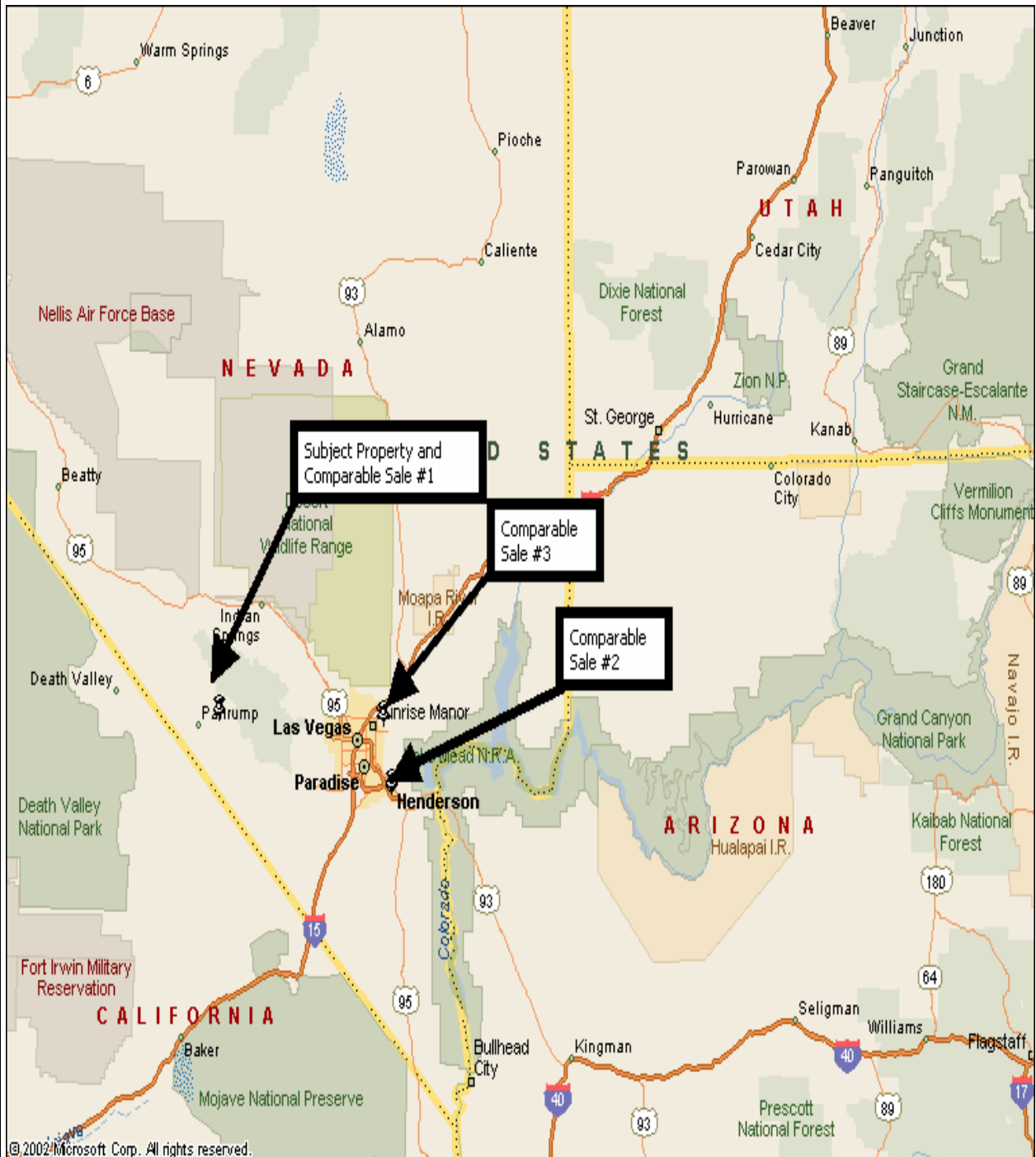
II. Sales Comparison Approach for the Aggregate Retail of 6 Commercial Super Pads as of 3/5/2015(Fee Simple)

I have searched the market for similar land sales and listings in the subject's district and have specifically researched those areas near the subject property. Special emphasis was given to sales that were considered competitive with the subject property. I have judged that the following sales will offer objective support for the value of the subject property.

Following is the physical data of these sales along with the comparison grid and the appraiser's analysis of adjustments made in the grid.

ANALYSIS AND CONCLUSION (continued)

COMPARABLE COMMERCIAL SUPER PAD SALES MAP



ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPER PAD SALE COMPARISON #1

Location:	345 E. Wilson Road, Pahrump, NV
Identification:	Assessor's Parcel Numbers: #35-351-17 Nye County, NV.
Thomas Map Guide:	N/A
Date of Sale:	12/07
Documentation:	Instrument No.700188 Official Records, Nye County, NV.
Buyer:	Chiswick Gardens USA
Seller:	Adrian Hayden
Sale Price:	\$270,000
Property Rights Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$270,000
Conditions of Sale:	Arms Length
Market Conditions:	Unstable
Site Size:	1.19 Acres/ 51,836 SF
Access/Visibility:	Good
Topography:	Level
Building Improvements:	None
Utilities:	Public utilities appear to be available to the site
Zoning:	Commercial
Price Per SF:	\$5.21/SF - \$226,891/Acre

ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPER PAD SALE COMPARISON #1 CONT'D.
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**Present Use at Time
of Sale:**

Vacant Commercial Land

Highest and Best Use:

Immediate development

Verification:

Loopnet; Realquest, Nye County Records

Comments:

This property is smaller in size compared to the subject Property. This property has an inferior location compared to the subject.

ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPER PAD SALE #1 PARCEL MAP

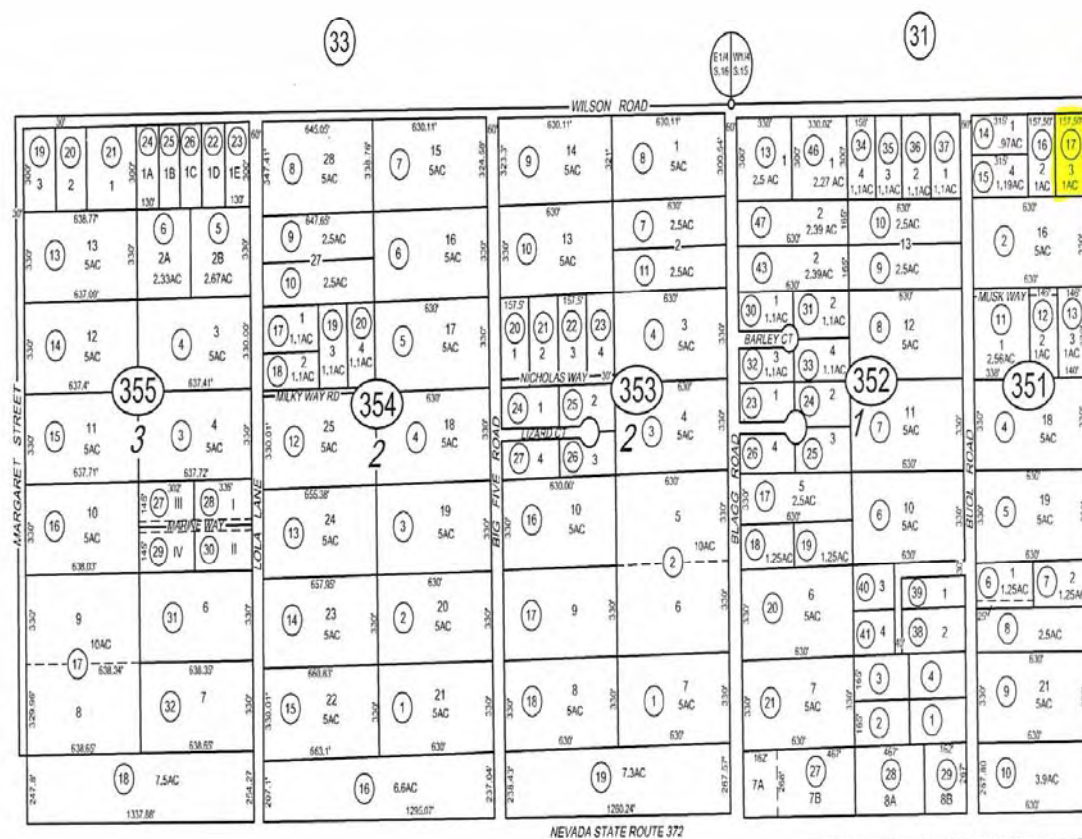
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T.20S., R.53E. PORT. OF
SECTIONS 15 & 16

35-35



REV. 03-14-85
03-06-86
04-17-86
08-29-86
11-21-86
02-02-87
09-07-89
02-01-90
02-27-90
10-08-90
02-06-96
05-15-97
02-08-00
05-06-02
06-10-02
07-12-02
08-18-03
09-16-03



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39

C.81/WTB-mes
D FILE 04-16-01/NG
E COUNTY ASSESSOR

NOTE: THIS PLAT IS FOR ASSESSMENT USE ONLY AND
DOES NOT REPRESENT A SURVEY. NO LIABILITY IS
ASSUMED AS TO THE ACCURACY OF THE DATA
DELINEATED HEREON.

BOLLING GREEN ACRES

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ANALYSIS AND CONCLUSION (continued)**COMMERCIAL SUPER PAD SALE COMPARISON #2**

Location:	1550 Galleria Drive, Henderson, NV
Identification:	Assessor's Parcel Number 160-32-501-006, Clark County, NV
Thomas Map Guide:	N/A
Date of Sale:	1/09
Documentation:	Grant deed recorded as Instrument No. 90120004360 in Official Records, Clark County, NV
Buyer:	City of Henderson
Seller:	Commerce Associates, LLC
Sales Price:	\$2,000,000
Property Rights Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$2,000,000
Conditions of Sale:	Arms length transaction
Market Conditions:	Negative
Site Size:	7.21 Acres – 314,068 SF
Topography:	Level to street
Utilities:	All public utilities appear to be at the site.
Access & Visibility:	Good/Good
Street Improvements:	Paved Road,
Price Per SF:	\$6.37/SF - \$277,393/Acre

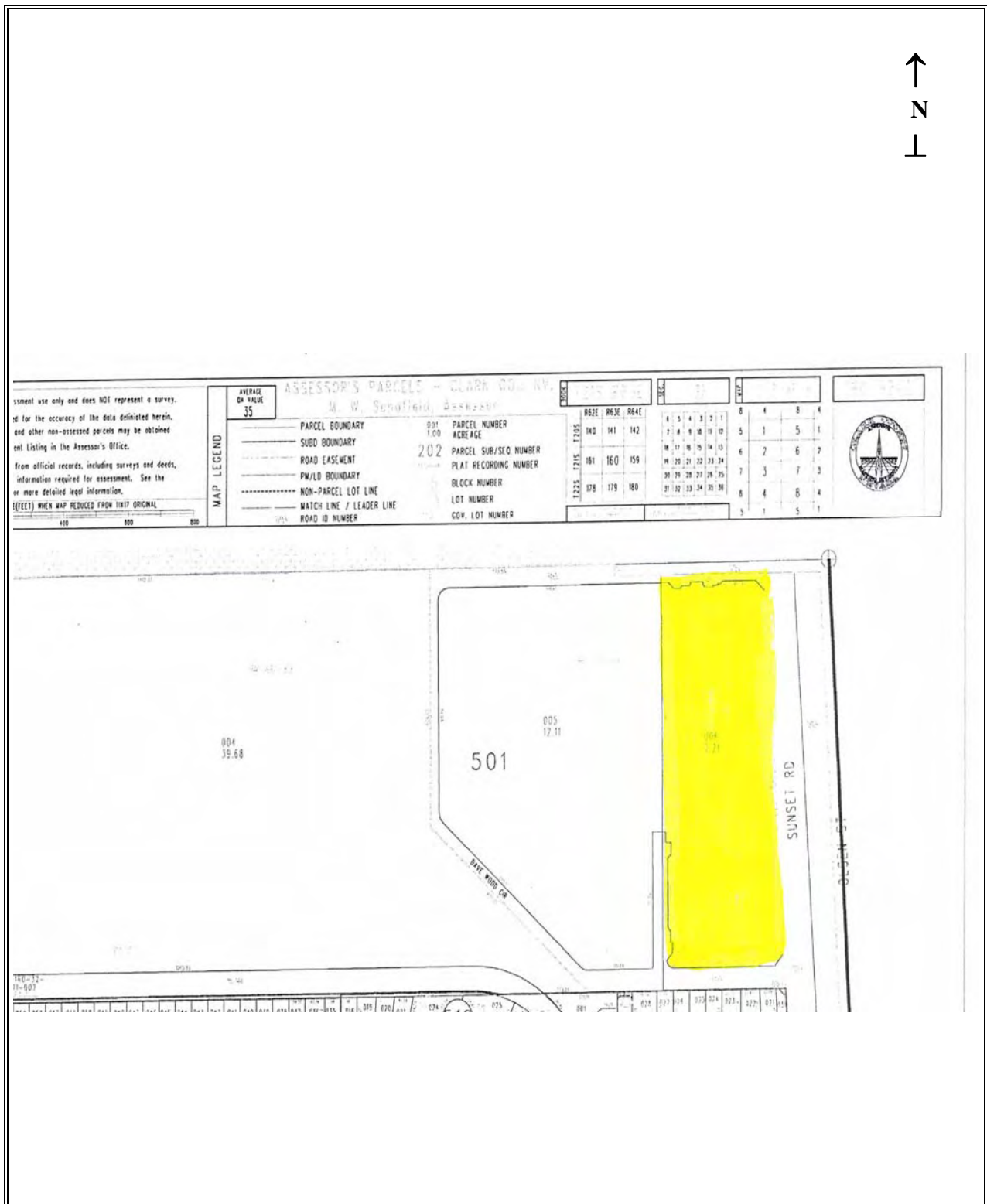
ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPERPAD COMPARISON #2 CONT'D

Building Improvements:	None
Zoning:	Commercial
Present Use at Time of Sale:	Vacant Commercial Land
Verification:	Loopnet; Realquest; Clark County Records
Comments:	This property is larger than the subject with similar zoning. This property has a superior location.

ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPER PAD SALE #2 MAP



ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPER PAD COMPARISON #3

Location:	Kyle Canyon Gateway, Las Vegas, NV
Identification:	Assessor's Parcel Number 126-01-801-005 & 006, Clark County, NV
Thomas Map Guide:	N/A
Date of Sale:	5/07
Documentation:	90010301
Buyer:	Roohani Khusrow Family Trust
Seller:	Clayton Price
Sales Price:	\$4,500,000
Property Rights Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$4,500,000
Conditions of Sale:	Arms length transaction
Market Conditions:	Negative
Site Size:	435,600 SF
Topography:	Level to street
Utilities:	All public utilities appear to be at the site.
Access & Visibility:	Good/Good
Street Improvements:	Paved Road,
Price Per SF:	\$10.33/SF - \$450,000/Acre

ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPER PAD SALE COMPARISON #3 CONT'D

Building Improvements:	None
Zoning:	Commercial
Present Use at Time of Sale:	Vacant Commercial Super Pad
Verification:	Loopnet; Realquest; Clark County Records
Comments:	This property is larger in size, has similar zoning compared to the subject.

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ANALYSIS AND CONCLUSION (continued)

COMMERCIAL SUPER PAD SALES COMPARISON GRID
(As of 3/5/2015)

FACTOR	SUBJECT	NO. 1		NO. 2		NO. 3	
Location	Highway 160 Pahrump, NV	Wilson Road Pahrump, NV		Galleria Drive Henderson, NV		Kyle Canyon Gateway Las Vegas, NV	
Date of Sale	3/5/2015	12/07		1/09		5/07	
Sale Price	\$1,894,206	\$270,000		\$2,000,000		\$4,500,000	
Size (SF)	283,140 SF	51,836 SF		314,068 SF		435,600 SF	
Price per SF	\$6.69	\$5.21		\$6.37		\$10.33	
CHARACTERISTIC SUBJECT							
Property Rights	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Financing Terms	Cash	Cash		Cash		Cash	
Conditions of Sale	Arm's Length	Arm's Length		Arm's Length		Arm's Length	
Market Conditions	Prospective - Stable	Less Stable	+0.52	Less Stable	+1.27	Less Stable	+1.03
Adjusted Price SF	\$6.69	\$5.73		\$7.64		\$11.36	
PHYSICAL ADJUSTMENTS							
Size	283,140 SF	51,836 SF	(0.50)	314,068 SF	(0.50)	435,600 SF	+0.50
Location	Good	Inferior	+1.50	Superior	(1.50)	Superior	(1.50)
Access/Visibility	Good	Similar	-0-	Similar	-0	Superior	(1.00)
Off-Site Improvements	Yes – To Super Pad Status	Similar	-0-	Similar	-0-	Similar	-0-
Specific Location	Good	Similar	-0-	Similar	-0-	Superior	(2.63)
ADJUSTMENTS							
Size	+0.50; (0.50)	5.23		8.14		11.86	
Location	+1.50; (1.50)	6.73		6.64		10.36	
Visibility	(1.00)	6.73		6.64		9.36	
Specific Location (Superior 1 & 3)	(2.63)	6.73		6.64		6.73	
Net Adjustment		+1.00		(1.00)		(4.63)	
Adjusted Unit Price	\$6.69	\$6.73		\$6.64		\$6.73	
WEIGHTED VALUES							
Reliability (1-10)		8		8		8	
Contribution (%)		0.33333		0.33333		0.33333	
Contribution (\$)	\$6.69	\$2.24		\$2.21		\$2.24	

ANALYSIS AND CONCLUSION (continued)**II. Land Residual Technique (Fee Simple – continued)****B. Retail Value of Each Super Pad using the Sales Comparison Technique****2. Comparable Commercial Super Pad Sales Analysis: (continued)**

“The sales comparison approach may be used to value land that is actually vacant or land that is being considered as though vacant for appraisal purposes. Sales comparison is the most common technique for valuing land and it is the preferred method when comparable sales are available. To apply this method, sales of similar parcels of land are analyzed, compared and adjusted to provide a value indication for the land being appraised. In the comparison process the similarity or dissimilarity of the parcels is considered.”²

Adjustments to each of the sales is required for significant differences which effect value. “The order in which quantitative adjustments are applied to the sale prices of comparable properties” is called the sequence of adjustments. “The sequence of adjustments is determined by the market and through analysis of the data.”³ Using the sequence, the appraiser obtains intermediate price figures and applies succeeding adjustments to each previously adjusted price. The adjustments applied to the price of a comparable property reflect the sale’s superiority or inferiority in regard to the real property rights conveyed, financing, conditions of sale, market conditions, location, and physical characteristics.

There are “basic elements of comparison that should always be considered in Sales Comparison Analysis”⁴ and other physical differences. All of the sales sold as fee simple estates as arm’s length transactions and therefore, adjustments were not required for these aspects.

Property Rights, Financing Terms and Conditions of Sale:

All comparable site sales were sold or listed as Fee Simple Estates. Financing terms for the sales represented cash or its equivalent to the sellers. Lastly, Conditions of Sale were based on an arm’s length basis. These three characteristics of the sale properties are equal to the assumptions being applied to the subject property. Consequently, no adjustments were necessary for these three characteristics of the sale properties.

Time and Market Conditions:

Market Value estimates assume an open and competitive marketplace. Current market conditions leading up to the date of appraisal have been a period of increasing market activity. Proper analysis of sales transactions in comparison to the subject is for circumstances to parallel the definition of Market Value. To the extent that any of the conditions of a sale differ substantially from the elements in the definition, without appropriate adjustment, the transaction fails as evidence of Market Value.

The subject property is being appraised as of a prospective date assuming market conditions are stable. All three Comparable Sales were sold during negative market conditions. Therefore, adjustments were made for market conditions.

² The Appraisal of Real Estate, 12th Edition, (Chicago: Appraisal Institute, 2001), Page 337

³ The Appraisal of Real Estate, 12th Edition, (Chicago: Appraisal Institute, 2001), Page 443

⁴ The Appraisal of Real Estate, 12th Edition, (Chicago: Appraisal Institute, 2001), Page 426

ANALYSIS AND CONCLUSION (continued)

II. Land Residual Technique (Fee Simple – continued)

B. Retail Value of Each Parcel using the Sales Comparison Technique

1. Comparable Commercial Super Pad Sales Analysis: (continued)

Size Adjustment:

Comparable Land Sales #2 & #3 are larger than the subject property. Therefore, an upward adjustment of \$0.50 per square foot was made to Comparable Land Sales #2 & #3. Comparable Sale #1 is smaller. Therefore, a downward adjustment of \$0.50 per square foot was made to Comparable Sale #1.

Location:

Comparable Sale #1 has an inferior location. Therefore, an upward adjustment of \$1.50 per square foot was made to Comparable Sale #1. Comparable Sale #2 & #3 are larger than the subject. Therefore, an upward adjustment of \$1.50 per square foot was made to Comparable Sale #2 & #3.

Visibility Adjustment:

Comparable Sale #3 has superior visibility compared to the subject property. Therefore, a downward adjustment of \$1.00 per square foot was made to comparable sale #3.

Specific Location Adjustment:

A matched pair was found between Comparable Land Sale #1 & #3. They are exactly alike except Comparable Land Sale #3 has a superior specific location. Therefore, a downward adjustment of \$2.63 per square foot was made to Comparable Sale #3.

Value Conclusion of a 283,140 SF Commercial Super Pad:

The land sales described in this report were representative of the current market in the subject's neighborhood. These sales allowed for derivation of market adjustments to be applied for differences between the sales and subject property. The results from the grid indicated a range of \$6.64 to \$6.73 per square foot and an adjusted price per square foot of \$6.69 for the subject property.

Reliability factors from 1 to 10, 10 being the most comparable, were assigned to the comparable sales. The sales were rated for reliability on the basis of size and number of adjustments. Adding these factors together and dividing individually indicated a percent contribution for each sale. Multiplying these contributions by the adjusted sale value indications per square foot indicated a dollar contribution per sale. Adding these dollar contributions together indicated a dollar per square foot value for the subject site. The market value indication of the site can therefore, be calculated as follows:

ANALYSIS AND CONCLUSION (continued)**AGGREGATE RETAIL OF 6 COMMERCIAL SUPER PAD**

283,140 SF Super Pad	X	\$6.69/SF	=	\$1,894,206
6 Commercial Super Pads	X	\$1,894,206	=	\$11,365,236
Aggregate Retail Rounded			=	\$11,365,000

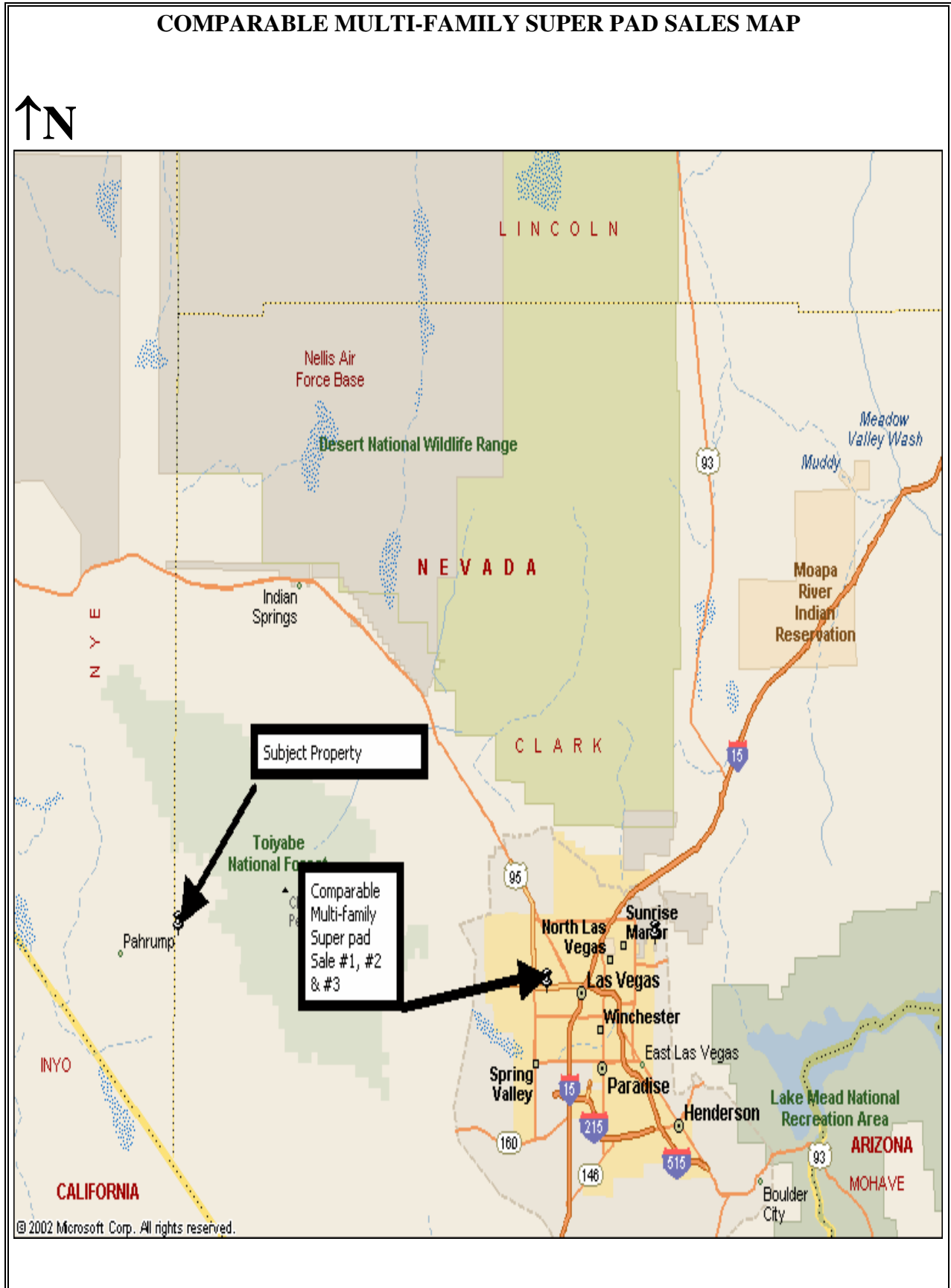
ANALYSIS AND CONCLUSION (continued)

II. Sales Comparison Approach for the Aggregate Retail of 11 Multi-Family Super Pads as of 3/5/2015(Fee Simple)

I have searched the market for similar land sales and listings in the subject's district and have specifically researched those areas near the subject property. Special emphasis was given to sales that were considered competitive with the subject property. I have judged that the following sales will offer objective support for the value of the subject property.

Following is the physical data of these sales along with the comparison grid and the appraiser's analysis of adjustments made in the grid.

ANALYSIS AND CONCLUSION (continued)



ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE COMPARISON #1

Location:	Gilespie Street & Siddall Avenue, Las Vegas, NV
Identification:	Assessor's Parcel Numbers: #177-33-212-002 Clark County, NV.
Thomas Map Guide:	N/A
Date of Sale:	1/26/10
Documentation:	Instrument No.N/A Official Records, Clark County, NV.
Buyer:	DR Horton, Inc.
Seller:	Hayden Destino, LLC
Sale Price:	\$500,000
Property Rights Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$500,000
Conditions of Sale:	Arms Length
Market Conditions:	Unstable
Site Size:	2.23 Acres/ 97,139 SF
Access/Visibility:	Good
Topography:	Level
Building Improvements:	None
Utilities:	Public utilities appear to be available to the site
Zoning:	High Density Residential
Price Per Paper Unit:	\$12,500/Paper Lot

ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE COMPARISON #1 CONT'D.

**Present Use at Time
of Sale:**

Vacant Residential Land

Highest and Best Use:

Immediate development

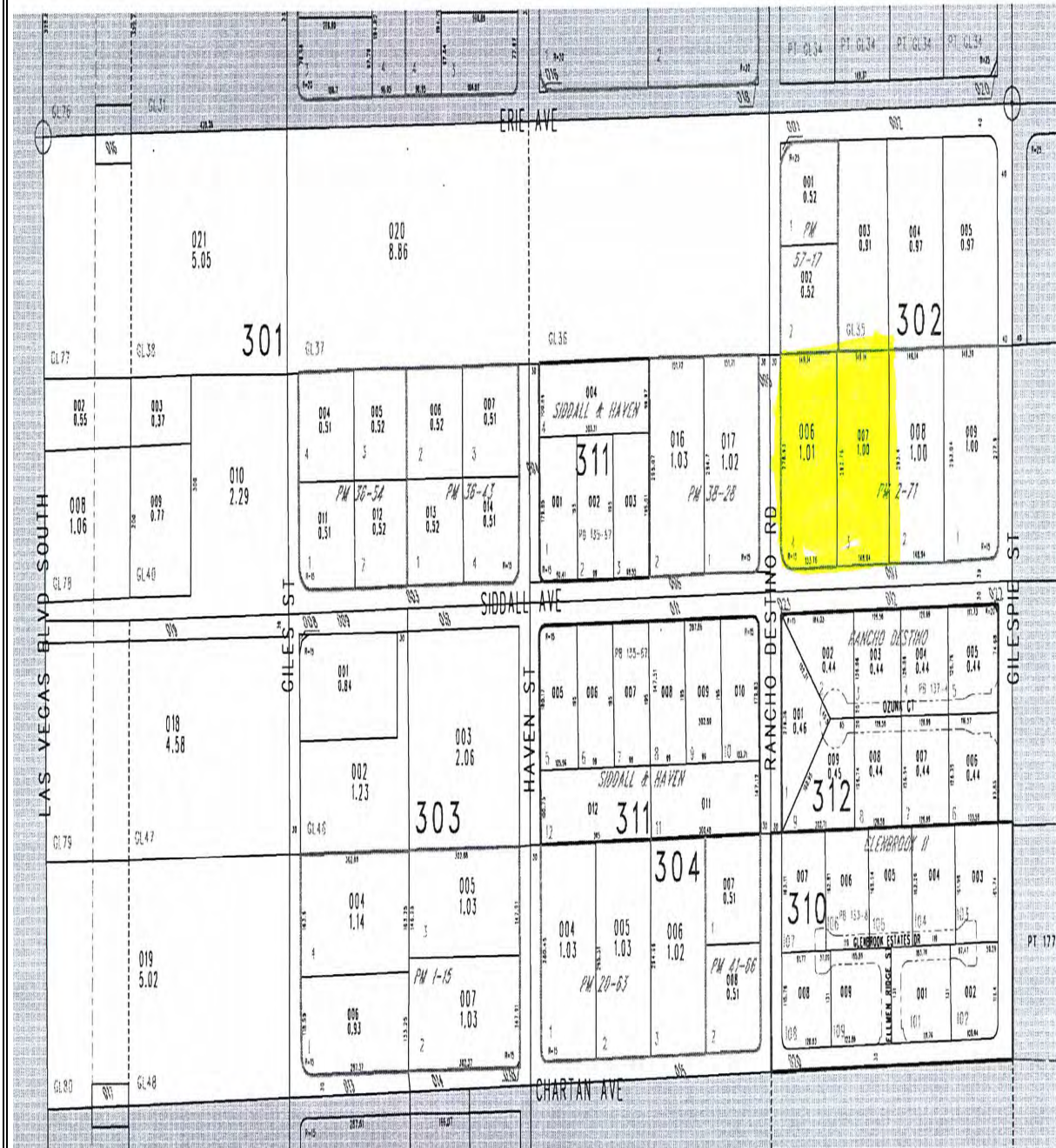
Verification:

Co Star Group; Realquest, Clark County Records

Comments:

This property is smaller in size compared to the subject Property. This property has a superior location and superior city reputation compared to the subject.

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N



ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE COMPARISON #2

Location:	2372 Ione Road, Las Vegas, NV
Identification:	Assessor's Parcel Numbers: #177-26-601-003 Clark County, NV.
Thomas Map Guide:	N/A
Date of Sale:	8/7/09
Documentation:	Instrument No.606190 Official Records, Clark County, NV.
Buyer:	Nevada Senior Holdings, LLC
Seller:	VREO VII, LLC
Sale Price:	\$1,000,000
Property Rights Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$500,000
Conditions of Sale:	Arms Length
Market Conditions:	Unstable
Site Size:	4.92 Acres/ 214,315 SF
Access/Visibility:	Good
Topography:	Level
Building Improvements:	None
Utilities:	Public utilities appear to be available to the site
Zoning:	High Density Residential
Price Per Paper Unit:	\$11,236/Paper Lot

ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE COMPARISON #1 CONT'D.

**Present Use at Time
of Sale:**

Vacant Residential Land

Highest and Best Use:

Immediate development

Verification:

Co Star Group; Realquest, Clark County Records

Comments:

This property is smaller in size compared to the subject Property. This property has a superior location and superior city reputation compared to the subject.

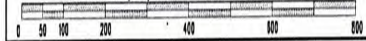
ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE #2 PARCEL MAP



NOTE This map is compiled from official records, including surveys and deeds, but only contains the information required for assessment. See the recorded documents for more detailed legal information.

USE THIS SCALE (FEET) WHEN MAP REDUCED FROM 11X17 ORIGINAL



MAP LEGEND

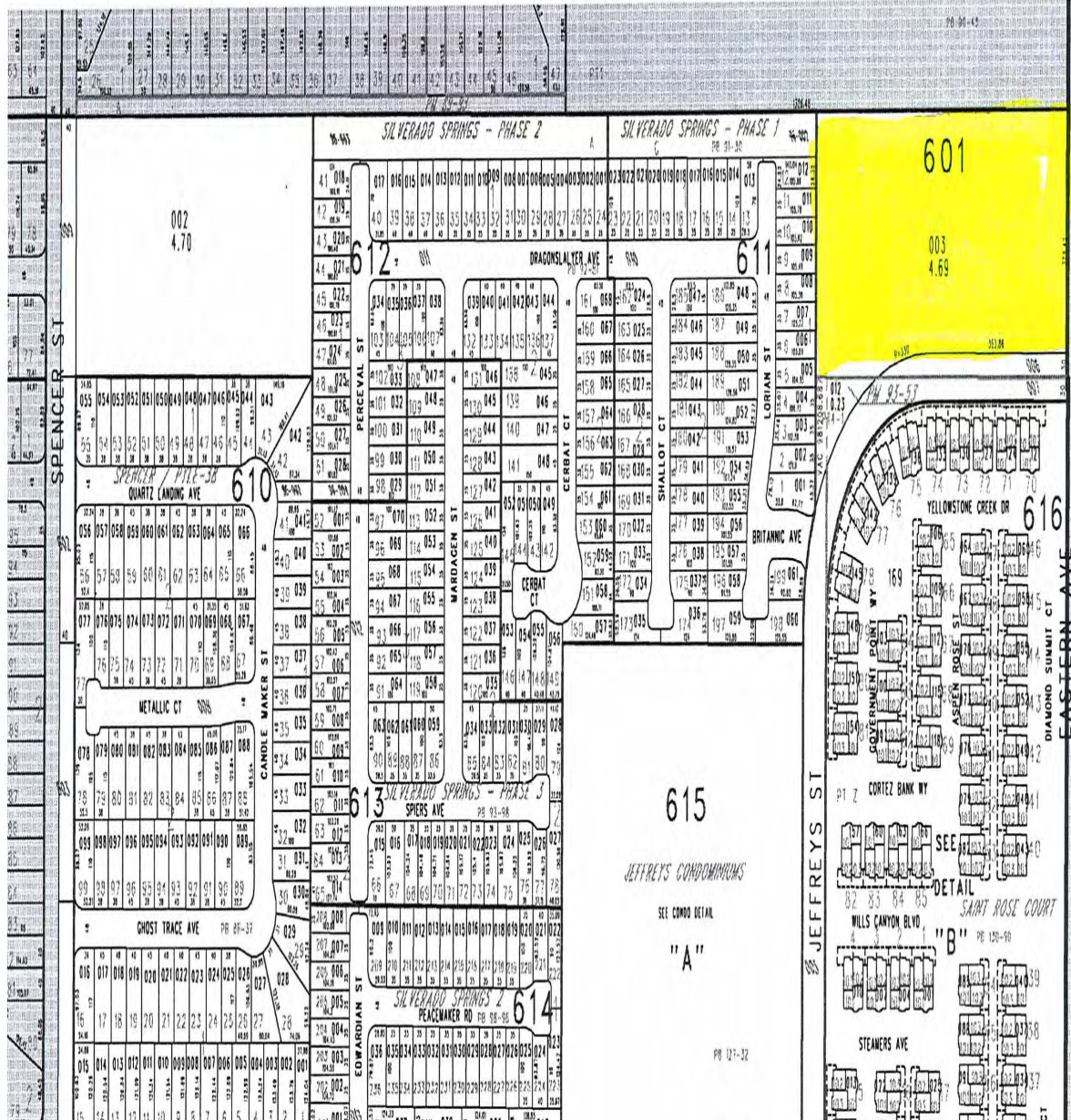
- PLAT BOUNDARY
- - - - - NON-PARCEL LOT LINE
- - - - - WATCH LINE / LEADER LINE
- ROAD ID NUMBER

PLAT RECORDING NUMBER
5 BLOCK NUMBER
5 LOT NUMBER
5 GOV. LOT NUMBER

19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

7	3	7	3
8	4	8	4
5	1	5	1

Scale: 1"=200' Rev: 05/04/07



ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE COMPARISON #3

Location:	5252 S. Maryland Parkway, Las Vegas, NV
Identification:	Assessor's Parcel Numbers: #162-26-210-003 Clark County, NV.
Thomas Map Guide:	N/A
Date of Sale:	12/14/09
Documentation:	Instrument No.111300 Official Records, Clark County, NV.
Buyer:	Maryland LLC
Seller:	Bank of America
Sale Price:	\$240,000
Property Rights Conveyed:	Fee Simple Interest
Financing:	Conventional
Cash Equivalency:	\$240,000
Conditions of Sale:	Arms Length
Market Conditions:	Unstable
Site Size:	1.12 Acres/ 48,797 SF
Access/Visibility:	Good
Topography:	Level
Building Improvements:	None
Utilities:	Public utilities appear to be available to the site
Zoning:	High Density Residential
Price Per Paper Unit:	\$12,000/Paper Lot

ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE COMPARISON #3 CONT'D.

**Present Use at Time
of Sale:**

Vacant Residential Land

Highest and Best Use:

Immediate development

Verification:

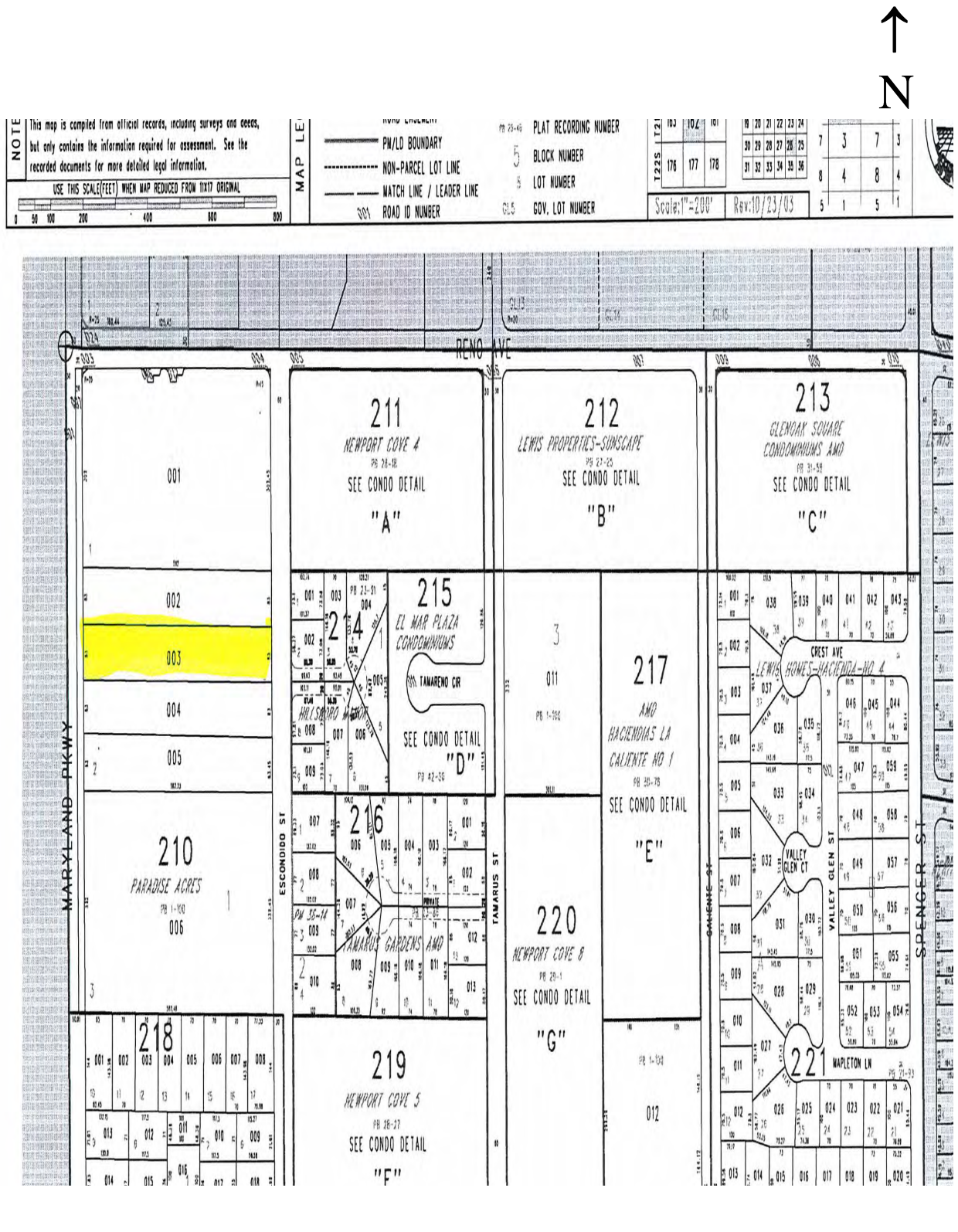
Co Star Group; Realquest, Clark County Records

Comments:

This property is smaller in size compared to the subject Property. This property has a superior location and superior city reputation compared to the subject.

ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALE #3 PARCEL MAP



ANALYSIS AND CONCLUSION (continued)

MULTI-FAMILY SUPER PAD SALES COMPARISON GRID
(As of 3/5/2015)

FACTOR	SUBJECT	NO. 1		NO. 2		NO. 3	
Location	Highway 160 Pahrump, NV	Gilespie & Siddall Road Las Vegas, NV		2372 Ione Road Las Vegas, NV		5252 S. Maryland Pkwy Las Vegas, NV	
Date of Sale	3/5/2015	1/26/2010		8/7/2009		12/14/2009	
Sale Price	\$1,574,478	\$500,000		\$1,000,000		\$240,000	
Size (SF)	392,040 SF	97,138 SF		214,315 SF		48,787 SF	
# of Paper Units	162	40		89		20	
Price per Paper Unit	\$9,719	\$12,500		\$11,236		\$12,000	
CHARACTERISTIC SUBJECT							
Property Rights	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Financing Terms	Cash	Cash		Cash		Cash	
Conditions of Sale	Arm's Length	Arm's Length		Arm's Length		Arm's Length	
Market Conditions	Prospective - Stable	Less Stable	+1,250	Less Stable	++1,124	Less Stable	+1,200
Adjusted Price SF	\$9,719	\$13,750		\$13,484		\$13,200	
PHYSICAL ADJUSTMENTS							
Size	392,040 SF	97,138 SF	(1,500)	214,315 SF	(750)	48,787 SF	(1,500)
Location	Good	Superior	(1,000)	Superior	(1,000)	Superior	(1,000)
Access/Visibility	Good	Similar	-0-	Similar	-0	Similar	-0-
Off-Site Improvements	Yes – To Super Pad Status	Similar	-0-	Similar	-0-	Similar	-0-
City Reputation	Average	Superior	(1,500)	Superior	(1,500)	Superior	(1,500)
ADJUSTMENTS							
Size	(750); (1,500)	12,250		12,734		11,700	
Location	(1,000)	11,250		11,734		10,700	
City Reputation	(1,500)	9,750		10,234		9,200	
Net Adjustment		(4,000)		(3,250)		(4,000)	
Adjusted Unit Price	\$9,719	\$9,750		\$10,234		\$9,200	
WEIGHTED VALUES							
Reliability (1-10)		8		8		8	
Contribution (%)		0.33333		0.33333		0.33333	
Contribution (\$)	\$9,719	\$9,750		\$10,234		\$9,200	

ANALYSIS AND CONCLUSION (continued)

II. Land Residual Technique (Fee Simple – continued)**B. Retail Value of Each Super Pad using the Sales Comparison Technique****2. Comparable Commercial Super Pad Sales Analysis: (continued)**

“The sales comparison approach may be used to value land that is actually vacant or land that is being considered as though vacant for appraisal purposes. Sales comparison is the most common technique for valuing land and it is the preferred method when comparable sales are available. To apply this method, sales of similar parcels of land are analyzed, compared and adjusted to provide a value indication for the land being appraised. In the comparison process the similarity or dissimilarity of the parcels is considered.”²

Adjustments to each of the sales is required for significant differences which effect value. “The order in which quantitative adjustments are applied to the sale prices of comparable properties” is called the sequence of adjustments. “The sequence of adjustments is determined by the market and through analysis of the data.”³ Using the sequence, the appraiser obtains intermediate price figures and applies succeeding adjustments to each previously adjusted price. The adjustments applied to the price of a comparable property reflect the sale’s superiority or inferiority in regard to the real property rights conveyed, financing, conditions of sale, market conditions, location, and physical characteristics.

There are “basic elements of comparison that should always be considered in Sales Comparison Analysis”⁴ and other physical differences. All of the sales sold as fee simple estates as arm’s length transactions and therefore, adjustments were not required for these aspects.

Property Rights, Financing Terms and Conditions of Sale:

All comparable site sales were sold or listed as Fee Simple Estates. Financing terms for the sales represented cash or its equivalent to the sellers. Lastly, Conditions of Sale were based on an arm’s length basis. These three characteristics of the sale properties are equal to the assumptions being applied to the subject property. Consequently, no adjustments were necessary for these three characteristics of the sale properties.

Time and Market Conditions:

Market Value estimates assume an open and competitive marketplace. Current market conditions leading up to the date of appraisal have been a period of increasing market activity. Proper analysis of sales transactions in comparison to the subject is for circumstances to parallel the definition of Market Value. To the extent that any of the conditions of a sale differ substantially from the elements in the definition, without appropriate adjustment, the transaction fails as evidence of Market Value.

The subject property is being appraised as of a prospective date assuming market conditions are stable. All three Comparable Sales were sold during negative market conditions. Therefore, adjustments were made for market conditions.

² The Appraisal of Real Estate, 12th Edition, (Chicago: Appraisal Institute, 2001), Page 337

³ The Appraisal of Real Estate, 12th Edition, (Chicago: Appraisal Institute, 2001), Page 443

⁴ The Appraisal of Real Estate, 12th Edition, (Chicago: Appraisal Institute, 2001), Page 426

ANALYSIS AND CONCLUSION (continued)

II. Land Residual Technique (Fee Simple – continued)

B. Retail Value of Each Parcel using the Sales Comparison Technique

1. Comparable Commercial Super Pad Sales Analysis: (continued)

Size Adjustment:

All three Comparable Sales are smaller than the subject property. Therefore, downward adjustments were made according to size.

Location:

All three comparable sales have superior locations compared to the subject property. Therefore, a downward adjustment of \$1,000 per paper unit was made to all three comparable sales.

City Reputation Adjustment:

All three comparable sales have superior city reputations compared to the subject property. Therefore, a downward adjustment of \$1,500 per paper unit was made to all three comparable sales.

Off-Site Improvements Adjustment:

All three comparable sales have similar off-site improvements compared to the subject property. Therefore, no adjustments were made.

Access/Visibility Adjustment:

All three comparable sales have similar access and visibility compared to the subject property. Therefore, no adjustments were made.

Value Conclusion of a 392,040 SF Commercial Super Pad:

The land sales described in this report were representative of the current market in the subject's neighborhood. These sales allowed for derivation of market adjustments to be applied for differences between the sales and subject property. The results from the grid indicated a range of \$9,200 to \$10,234 per paper unit and an adjusted price per paper unit of \$9,719 for the subject property.

Reliability factors from 1 to 10, 10 being the most comparable, were assigned to the comparable sales. The sales were rated for reliability on the basis of size and number of adjustments. Adding these factors together and dividing individually indicated a percent contribution for each sale. Multiplying these contributions by the adjusted sale value indications per paper unit indicated a dollar contribution per sale. Adding these dollar contributions together indicated a dollar per paper unit value for the subject site. The market value indication of the site can therefore, be calculated as follows:

ANALYSIS AND CONCLUSION (continued)**AGGREGATE RETAIL OF 11 MULTI-FAMILY SUPER PADS**

392,040 SF Super Pad (162 Paper Units)	X	\$9,719/Paper Unit	=	\$1,574,000
11 Multi-Family Super Pads	X	\$1,574,000	=	\$17,314,000
Aggregate Retail Rounded			=	\$17,314,000

RECONCILIATION

II. Land Residual Technique (Fee Simple - continued)

C. Discounted Cash Flow Analysis to solve for the Bulk or Wholesale Market Value

The required information and steps in this analysis are as follows;

1. Estimation of finished lot values previously estimated in the comparable sales analysis.
2. Estimation of absorption period.
3. Estimation of holding cost and marketing expenses.
4. Discounting of probable net revenues over the absorption period based on assumptions regarding appreciation/depreciation, holding costs, and discounting for cost of mortgage and equity capital.

Estimation of Absorption Period

The estimation of the proposed absorption period is one of the most important factors of the analysis and valuation of the subdivision. Differences in the forecast absorption period can cause significant changes in the conclusions of market value, and can affect the conclusion of (or lack of) economic feasibility.

The appraiser's estimate of an absorption period is typically formulated from a consideration of:

1. Historical absorption (demand) for similar properties (number of lots or percent of project per period).
2. Analysis of underlying demand and trends; i.e., are there likely to be as many (or more or less) buyers for this type of property in the future as there have been in the past?
3. Analysis of the present supply of competitive properties; i.e., how will they compete for the available market demand with the subject?
4. Analysis of the probable future demand. The appraisers must consider not only what has sold in the past and what is available as of the date of appraisal, but the probable supply of competitive offerings over the absorption period as well. Known supply (or assumed supply including the subject), as well as probable additions should be considered as potential competitive supply during absorption.
5. Comparison of probable future demand to probable future supply (including subject). It is important that market segmentation in the analysis be identified; i.e., the supply and demand levels for competitive super pads.

RECONCILIATION

II. Land Residual Technique (Fee Simple - continued)

C. Discounted Cash Flow Analysis to solve for the Bulk or Wholesale Market Value

Estimation of Holding Costs

1. Property Taxes

Real property taxes on the subject property are typically incurred by the ownership of a subdivision. Often, the taxes during the first year of absorption reflect its underdeveloped or partially developed status as of the last assessment year. For the purpose of estimating deductions from gross income for ad valorem taxes, it is recognized that taxes can change over the absorption period but since the taxes are a projected rate indicated and deducted at each sale accordingly.

The taxes are typically prorated between buyer and seller at closing, and that the owner of the subdivision incurs the expense only to the extent of the time the property has been owned. This amount is estimated at 1.10% of effective gross income for the purposes of this report.

2. Insurance

\$75,000 per year, is estimated for insurance.

3. Closing Costs/Legal/Accounting

To the extent that the owner of the lots with dwellings typically incurs expenses for deed preparation or other legal work (title work, recording fees, or other closing costs), these costs are recognized as deductions from periodic income from sales and in this case a rate of 1.0% is utilized for this aspect.

4. Commissions

The sale of developed lots with dwellings often depends upon the payment of sales commissions to outside brokers, inside or on-site sales representatives, or a combination of both. Few of these properties "sell themselves," although the extent to which a sales staff is necessary or outside broker fees paid may vary widely. Therefore, it is considered reasonable to project a 2% commission to a sales representative, whether paid as a salary or as part salary and part commission or straight commission.

5. Marketing

Many subdivisions incur significant marketing expenses, others very little. Single-family residential subdivisions in areas with an excess of demand relative to supply may require very little if any marketing expense. Considering the nature of the local market and the specific nature of the subject project indicate that a significant amount of advertising is not required. Consequently, an estimate of approximately 1.0% of the gross income from sales is considered appropriate.

RECONCILIATION

7. Overhead

“Overhead” is a generic term which can refer to a number of different expenses. Certainly a development which maintains an on-site office with a full-time secretary, telephone, and utilities has “overhead”. To the extent that such is considered reasonable and necessary by the typical owner, it is recognized by the appraisers as a deduction from the gross income from sales. Often, it is when the on-site staff serves multiple functions (i.e., secretary/sales agent). While the categorization of expenses may present difficulties, the most concern is with a recognition of the total expenses that is applicable to the development of the subject type.

It is typical in this market to lump any “overhead” that is not covered in sales commissions, legal, accounting and closing cost, into the entrepreneurial profit/developer fee category of the analysis form small residential developments but in this case it is considered to be within the allowances form marketing and legal/accounting/closing.

8. Profit/Developer’s Fee

Developer’s profit and overhead is either shown as a line item to deduct in the subdivision’s discounted cash flow or it is included in the discount rate used to discount net proceeds. During the early 2000’s developer profits were generally in the 10% to 15% range. Currently, due to market conditions, reasonable profits are expected to be approximately \$20,000,000 which is a separate line item not to be included within the discount rate utilized.

Subdivision Discount Rate

The appropriate discount rate for use in discounting the net income derived from the sale of lots and dwellings over time is the rate of return required in the market for suppliers of capital for investments of similar level of risk. Generally, discount rates are determined from one or more of the following sources:

1. Quoted Return Requirements from subdivision developers, land investors, and builders.
2. Allocation- An allocation should be made from the quoted profit requirements of area developers between developer profit (to completion) and entrepreneurial/equity yield after completion from sales efforts.
3. Comparison to Other Yields – Reported yield or return requirements of investors in other realty or new realty investments.

The appraiser must look at markets other than the real estate market and consider returns on alternate investments. The presumption is that in a capitalistic society, capital will flow to the highest return commensurate with risk, and that an increase in the return on the premier U.S. Treasury debt will ultimately require an increase in the return to all other investments.

C. Discounted Cash Flow Analysis

Discounted cash flow (DCF) analysis is a method used to convert future benefits into present value by discounting each future benefit at an appropriate yield rate or by developing an overall rate that explicitly reflects the investment’s income pattern, value change, and yield rate. The method is profit-or yield-oriented, simulating typical investor assumptions with formulas that calculate the present value of expected benefits assuming specified profit or yield requirements.

RECONCILIATION**C. Discounted Cash Flow Analysis (continued):**

The discounting procedure presumes that the investor will receive a satisfactory return on the investment and complete recovery of the capital invested.

The method is referred to as yield capitalization because it analyzes whether an investment property will produce the particular level of profit or yield required. The discounted cash flow assumptions are contained on the following page:

Discounted Cash Flow and Land Residual Assumptions

Date of Appraisal:		March 5, 2010
Holding Period: (From Super Pads & Finished Lots)		14 Years from Completion to Sell Out
Holding period: (From Raw Land)		19 Years
Mixed Use Super Pads		
11 Residential Super Pads		
Value per Super Pad	\$1,574,000	Multi-Family Residential Pad Value (As of 3/5/2015)
Absorption Per Year	1	Residential Super Pads
Total Aggregate Retail	\$17,314,000	11 Multi-Family Residential Super Pads
6 Commercial Super Pads		
Value per Super Pad	\$1,894,000	Commercial Super Pad Value (As of 3/5/2015)
Absorption Per Year	1	Commercial Super Pad
Total Aggregate Retail	\$11,364,000	6 Commercial Super Pads
4,630 Finished Residential Lots		
Value per lot	\$70,100	Finished Residential Lot Value as of 3/5/2015
Absorption per year	360	Finished Residential Lots
Total Aggregate Retail	\$324,563,000	4,630 Residential Super Pads
Total Selling Price of Entire Project	\$353,241,000	Aggregate Retail Value Entire Project
Annual Appreciation	-0-	CPI & Inflation as offset
Years to Absorb	14	From Completion to Sell Out
Present Value Factor (Property Discount Rate)		11% Land Residual; 10% Bulk
Total Aggregate Retail Value Estimate:		\$353,241,000

RECONCILIATION

D. "As Is" Market Value of 920 Acres Vacant Mixed Use Land (continued).

INSERT DISCOUNTED CASH FLOW HERE

RECONCILIATION

E. Discounted Cash Flow Solving for the “As If Complete” Bulk or wholesale Market Value of entire Gateway Development as of 3/5/2010:

INSERT DISCOUNTED CASH FLOW HERE

RECONCILIATION

F. Discounted Cash Flow Solving for the “As If Complete” Bulk or wholesale Market Value of entire Gateway Development as of 3/5/2015:

INSERT DISCOUNTED CASH FLOW HERE

RECONCILIATION

III. RECONCILIATION AND FINAL ESTIMATE OF VALUE OF ENTIRE 920 ACRE PROPOSED GATEWAY COMMUNITY(Fee Simple)

- “As Is” Market Value Land Residual Technique (920 Acres) **\$58,459,000**
- “As Is” Market Value Sales Comparison Approach (920 Acres) **\$60,270,000**

Reconciliation involves analysis of the quantity and quality of all data in the report. The advantages, relevance, and market support for each of the approaches to value was considered. Conclusions were derived throughout the report explaining any discrepancies using reasonable judgment, tying it all together and relating the results to the subject property. Because the real estate market is imperfect, complete agreement of the approaches is not necessary. However, reasonable conclusions were reached using the groundwork established in the appraisal report.

The purpose of this appraisal is to estimate and report my opinion of the subject property’s “As Is” MARKET VALUE of the 103.93 acre portion of the subject property and 201.65 acre feet of water rights if sold to an individual buyer. In order to determine the value per acre of the subject’s 103.93 acre portion of the proposed Gateway Development, the value of the entire 920 acre project had to be estimated. Both the Land Residual Technique and the Sales Comparison Approach were used to estimate the value of the 920 Acre project. These two approaches to value are reconciled into the following indication of value as of the effective date of appraisal March 5, 2010:

\$59,000,000 (\$64,130/Acre)

(FIFTY NINE MILLION DOLLARS)

Reasonable exposure time necessary to sell this property to a single purchaser prior to the date of this appraisal is estimated to be 10 to 12 months.

RECONCILIATION**IV. Estimating the value of the subject property's 103.93 acre portion of the proposed Gateway Master Planned Community including 201.65 acre feet of water rights.**

In order to determine the "as is" market value of the subject's 103.93 acres and 201.65 acre feet of water rights located with the proposed Gateway Master Planned Community, the entire project had to be appraised to determine a value per acre. The value per acre for the entire project was estimated to be \$64,130 per acre which includes the water rights for the entire project.

Conversations with The Focus Group, a major water rights broker in the greater Las Vegas area, indicated that although land values have declined significantly over the last four years, water rights have retained more of their value compared to vacant land. It is estimate water rights for the subject property have an estimated value of \$12,500/acre foot.

In estimating the subject property's as is market value, the value per acre of land \$64,130 was multiplied by the subject's 103.93 Acres. This value for the subject property \$6,665,000 was then allocated between the value of the 201.65 acre feet of water rights and the 103.93 acres of vacant land.

Therefore, based upon my investigation and analysis of the data gathered with respect to this assignment, I have formed the opinion that the "As Is" MARKET VALUE of the subject property, as of the effective date March 5, 2010, is measured in the amount of:

\$6,665,000 (\$64,130/Acre)¹

(SIX MILLION SIX HUNDRED SIXTY FIVE THOUSAND DOLLARS)

Reasonable exposure time necessary to sell this property to a single purchaser prior to the date of this appraisal is estimated at 10 to 12 months.

Allocated: _____

103.93 Acres Vacant Land	\$4,144,000 (\$39,873/Acre)
201.65 Acre Feet of Water Rights	<u>\$2,521,000</u> (\$12,500/Acre Foot)*
Total	\$6,665,000 (\$64,130/Acre)

*See Page 38 for water rights valuation.

1. Based on the extraordinary assumptions and major highest and best use conclusions in the letter of transmittal. If any of the extraordinary assumptions, hypothetical conditions or major highest and best use conclusion prove to be false the value could be highly impacted.

ADDENDA

CURRICULUM VITAE OF THE APPRAISER

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Education: University of Kentucky, B.A., 1974
Business Administration and Economics

Law Student, JD Candidate,
Saratoga University

Professional: MAI Member, Appraisal Institute
Committee Member, Experience Review for MAI Designation
Member, International Council of Shopping Centers (ICSC)
Member, National Association of Realtors
Member, California Association of Realtors
Member, Certified Divorce Planners

Expert
Witness: Superior Court of California
U.S. District Court
Federal Bankruptcy Court

Licenses: State of California Certified General Real Estate Appraiser #AG004590
State of California Real Estate Broker #01173680

Experience: Commercial Appraiser - Associate with 1972-1980
R.W. Karlee, MAI
Dozier Appraisal Company, Resort & Urban 1980 -
Property Appraiser - Owner

Faculty: Guest Instructor: University of Kentucky; Courses Taught Corporate Finance and
The Time Value of Money.

Continuing
Education: Subdivision Analysis; Litigation Valuation; Discounted Cash Flow; Economy and Local
Trends; Architecture and Construction; FIRREA Law; Current Issues in Appraising;
Summary and Restricted Reports; Special Purpose Property Appraisals – Going-Concern
& Business Value; Subdivision Analysis; Fast Food Restaurant Valuation; “Benefits” in
Eminent Domain Property Valuations; Attacking & Defending an Appraisal in Litigation;
Master Planned Communities Skilled Nursing Facilities; Valuation of Detrimental
Conditions; Real Estate Fraud and Appraiser’s Role.

DOZIER APPRAISAL COMPANY

Page 2 - Curriculum Vitae of the Appraiser

Partial List of Clients:

Legal and Accounting Firms:

Pillsbury, Madison & Sutro - L.A.
Rutan & Tucker - Costa Mesa, CA
Scott J. Zundel

Schlecht, Shevlin & Shoenberger
Murphy, Pearson, Bradley & Feeney - San Francisco
Best, Best & Krieger

Lending Institutions:

El Dorado Bank
American Commerce Bank
Home Savings of America
First Security Mortgage
Salt Lake City, Utah
Wells Fargo Bank
Palm Springs Savings Bank
First Community Bank
Palm Desert National Bank
Bank of the Desert
Bank of California
Transco Mortgage Company
Bank of Los Angeles

Union Bank
Valley National Bank of Nevada
Manufacture's Bank
PFF Bank & Trust
(Formerly Pomona First Federal)
First Security Bank
Farmer's Merchant Bank - Long Beach
Riverside National Bank
San Diego National Bank
Mitsubishi Bank, LTD
Midland Financial - Clearwater, FL
First Interstate Bank
Mitsubishi Bank, LTD

Government Agencies:

Bureau of Indian Affairs
Bureau of Land Management (BLM)
Palm Springs California Edison
Southern California Edison
Southern California Gas
City of Rancho Mirage
City of Coachella
City of Indio
City of Palm Springs
County of Riverside
U.S. Department of Agricultural
City of La Quinta
Riverside County Housing

City of Cathedral City
RTC - Contract
City of Palm Desert
City of Moreno Valley
FDIC
Department of Indian Affairs
Sacramento, CA
City Indian wells
Farmer Home Administration
State of California Department of Ins.
SBA Regional Office
Federal Aviation Administration (FAA)
Riverside County Flood Control

Schools:

Desert Sands Unified School District
Morongo Unified School District
Palm Springs Unified School District

Utilities:

Coachella Valley Water District
Morongo Water District
Cal - Trans
Desert Water Agency

Page 3 - Curriculum Vitae of the Appraiser

Hospitals:

Eisenhower Medical Center
JFK Memorial Hospital
Riverside General Hospital
Desert Hospital

Corporations:

Bechtel Corporation
Motion Picture & TV Fund

Non-Profit Organizations:

Berger Foundation
Joseph Drown Foundation

Insurance Companies:

Republic Western, Scottsdale, NV

Real Estate Development & Engineering:

Wessman Construction Company
American Properties Funding
Del Webb California Corporation
Lowe Development
Ocean Properties - San Diego
Oliphant & Lizza, Development Group

Strother Construction Company
Regency Homes - Peter Soloman
Orr Construction
Aqua Caliente Band of Cahuilla Indians
Ruby Broadcasting Company

Appraisal Functions Include:

Acquisitions, Bankruptcy, Bond Financing, Condemnation, Construction Defect, Disposition and Liquidation Decision Making, Abundance of Caution for Federally Related Transaction, Donation, Estate Tax Appeal, Exchange, Excess Land, Determination of Economic Feasibility and Market Absorption, Foreclosures, Litigation, Real Property Tax Appeal, Negotiation, Partnership Dissolution, Portfolio Review for Non-Profits, Redevelopment, Lending for Real Property and Going Concern, Group Rental for Long Term Leases, Determining Highest and Best Use of Undeveloped Acreage, Claims of Damage to Real Estate Caused by Other Party, USPAP Compliance Appraisal Review.

Typical Appraisal Assignments:

Public:

Airport Expansions, Assessment Districts, Electrical & Access R/W's, Flood Control Projects, Park Sites, Subterranean Pipeline Easements, Golf Courses, Proposed Prison Sites, Public Right -of - Way Dedications, Railroad R/W's, School Sites, Temporary Easements, Urban and Rural Mountainous Land, Indian and Leaseholds and Lease Fees, Mountainous Communication Tower Sites, IRS seizures on Questionable Properties, Desert Lands, Accretion Interests Caused By Changing River Courses, and RTC Deposition for Auctions.

Private:

Drug Rehab Centers, Cold Storage Facilities, Mobile Home Parks, Day Care Centers, Mini-Storage, Newspaper Buildings, Proposed Service Station, Car-washes, Apartment Complexes, Medical Office Buildings, Neighborhood & Community Shopping Centers, Residential and Commercial Subdivisions, Restaurant Going - Concern, Undeveloped Acreage, Highest and Best Used Studies, Highway Patrol Facilities, Churches, Special Purpose Properties, Trucking, Distribution Facilities, Golf Course Properties, Proposed Time-Share Developments, Aggregate Retail and Bulk or Wholesale Values of proposed Subdivision Developments, Retrospective Real Property Valuations, Motels, Parking Lots, Gypsum Mine Acres, Clothing Optional Resorts, R & D Industrial Facilities, Historical Buildings, Agricultural Going - Concern, Riverfront Properties, Ranch's and Equestrian Centers, Thoroughbred Racehorse Farms, Sports Clubs, Multi -Screen Movie Theaters, High-rise Office

Buildings, Planned Unit Developments (PUD's), to Estimate Liquidation Value for Forced Sale or Auction Proceedings, Recreation Properties, Campgrounds, and Cemeteries.
Page 4 - Curriculum Vitae of the Appraiser

Interest and Value Types Appraised:

- Fee Simple Estate
- Leased Fee Estate
- Lease Hold Estate
- Sandwich Leasehold Estate
- Life Estates
- Vertical Estates (Subsurface & Air Rights)
- Easements
- Partnership Interests
 - Joint Tenancy Value
 - Tenancy by the Entirety Value
 - Tenancy in Common Value
- Market Rental Value
- Specialized Fractional Ownership
 - Condominium Interest
 - Cooperative Interest
 - Timeshare Interest
- Legal Entities Affecting Ownership
 - Stock Corporation Market Value
 - Land Trust Beneficiary's Partial Interest
 - Fixed Assets
 - Tangible Assets Value
 - Intangible Assets Value
 - Financial Assets Value
 - General and Limited Partnership Interests
 - Equity Syndications
 - Closely Held Business
 - Going Concern Value (Real Property & Business Value)
 - Business Value only
 - Liquidation Value vs Continued Operation of Business
 - Use Value (as opposed to Value in Exchange)
- Investment Value (individual's Investment Return Objectives)
- Highest and Best Use Analysis Impacting Value
 - Economic Feasibility Studies
- Eminent Domain (State and Federal Rule)
 - Just Compensation Estimates for Public Takings of Private Property Interests
 - Determination of the "Larger Parcel"
 - Other Legal Matters
 - Valuation of Detrimental Conditions, Construction Defects, etc.
 - Diminution of Value (Before and After)

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COMPANY PROFILE

Dozier Appraisal Company is a real property and financial consulting firm specializing in litigation consulting and real property/business valuation services. Founded in 1980 as a real property /business valuation firm, Dozier Appraisal Company consists of a team of dedicated professionals with experience in financial and economic analysis, real property valuation, business valuation, condemnation, damage analysis and related disciplines.

REAL PROPERTY AND BUSINESS VALUATIONS SERVICES

Dozier Appraisal Company has extensive expertise in valuation of all types of complex real property interests and of close-held businesses. The firm provides assistance in valuation matters for:

Real Property

- Estates; Private Lending
- Commercial Lending
- Eminent Domain Proceedings
- Highest and Best Use Analysis
- Partial Interest Valuation
- Economic Feasibility
- Market Rental and Absorption

Businesses

- Marital Dissolution
- Community Property Settlement
- Partnership or Corporate Dissolution
- Estate, Gift and Other Tax Matters
- Stock Contributions to Charitable Organizations
- General Business Litigation

The firm has completed more than two thousand valuation assignments covering wide spectrum of industries including:

- Resorts
- Agriculture
- Contracting
- Distribution
- Financial Services
- Public Agencies
- Hospitality
- Manufacturing
- Professional Practice
- Retail
- Sports & Leisure
- Services

Page 2 – Company Profile

In addition, Dozier Appraisal Company has expertise in valuing intangible business assets, including:

- Going Concern Value
- Goodwill
- Existing Contracts
- Brand Names & Registered Trademarks
- Affiliation Agreements
- Franchises
- Firm Rights
- Copyrights
- Leasehold Interests
- Licenses
- Patents
- Employment Contracts
- Mailing Lists
- Water Rights
- Tax Credits for Past Losses

The Philosophy of Dozier Appraisal Company is to provide thoroughly, objective valuation analysis of real property interest and closely-held companies. The firm accepts many of its valuation assignments by stipulation of the parties to a legal proceeding in which the value of real property or business interests are at issue. Appraisals prepared by Dozier Appraisal Company have been successfully defended in the courts many times.

Community Property Matters

The valuation of a going business or professional practice in a community property division is a complicated process requiring a broad-based knowledge of the laws pertaining to community property business valuations. Although Dozier Appraisal Company does not render legal services, the firm has significant expertise in community property assignments, including the valuation of non-salable professional goodwill and calculations relating to the allocation of business appreciation between community and separate property (Pereira and Van Camp analysis).

Eminent Domain Matters

Dozier Appraisal Company has extensive experience in just Compensation estimates for public takings of private property interests. One of the most critical factors in determining the taking's "before" and "after" market value is the estimation of "what is the Larger Parcel"? Damages to the remainder due to a partial taking can be significant. Consequently, it is critical that the "Larger Parcel" be accurately determined. Dozier Appraisal Company can be instrumental in providing legal counsel consultation in review of opposition's appraisal; suggested line of questioning in valuation matters regarding depositions and trials; and a fair and though explanation of all influences that impact market value.

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LITIGATION CONSULTING SERVICES

Dozier Appraisal Company provides a full spectrum of litigation support services to the legal community. The firm's area of expertise includes evaluation of economic damage resulting from business torts, breach of contract, personal injury, wrongful termination and other causes of action. Litigation support services range from document review and preliminary damage calculations to complete financial analysis and research culminating in a formal, written report or expert testimony.

Financial and Economic Analysis

Dozier Appraisal Company provides financial and economic analysis to estimate damages in civil litigation matters. The professional staff of Dozier Appraisal Company has expertise in damage analysis and computing lost profits for many types of cases, including:

- Antitrust
- Breach of Contract
- Business Interruption
- Business Torts
- Copyright Infringement
- Fraud and Embezzlement
- Lender Liability
- Patent Infringement
- Personal Injury
- Professional Liability
- Wrongful Death
- Wrongful Termination

Forensic Appraising Services

The firm performs investigative services in the areas of:

- Tracing separate and community funds
- Searching for unrecorded income
- Analyzing expenses and expenditures
- Reconstruction of incomplete or inaccessible records

Other Consulting Services

In addition to our other services, Dozier Appraisal Company can facilitate discovery, settlement negotiation and trial preparation by:

- Providing economic research
- Reviewing financial documents and selecting key items to be analyzed
- Conducting quantitative analysis for settlement negotiations

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Other Consulting Services (Cont'd)

- Locating outside information sources
- Preparing questions for and interpreting responses of other financial witnesses
- Assisting in cross examination preparation
- Critiquing opinion and providing rebuttal testimony

Expert Testimony

The senior associates at Dozier Appraisal Company have significant litigation experience. The firm's philosophy is to present credible, defensible solutions to financial and economic issues in concise reports or through expert testimony, if required. The use of courtroom quality graphics helps to illustrate our findings in a readily understandable format.

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general and specific assumptions:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management is assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in the report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or in arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based.
10. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication.
12. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

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Assumptions and Limiting Conditions

13. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm, with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
14. Any value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimated, unless such proration or divisions of interests have been set forth in the report.
15. No legal description or survey was furnished so the appraiser utilized the county tax plat to ascertain the physical dimensions and acreage of the property. Should a survey prove these characteristics inaccurate, it may be necessary for this appraisal to be adjusted.
16. The forecasts, projections, or operation estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factor, and a continued state economy. These forecasts are, therefore, subject to changes in future conditions.
17. The term "Market Value", as used in this report, as agreed upon by federal financial institutions in the United States of America is:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeable, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated.
- Both parties are well informed or well advised, and acting in what they consider their best interests.
- A reasonable time is allowed for exposure in the open market.
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

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Assumptions and Limiting Conditions

18. The appraiser assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factors were not present as of the date of the letter of transmittal accompanying this report. The appraiser is not obligated to predict future political, economic or social trends.
19. In preparing this report, the appraiser was required to rely on information furnished by other individuals or found in previously existing records and /or documents. Unless otherwise indicated, such information is presumed to be reliable. However, no warranty, either expressed implied, is given by the appraiser for the accuracy of such information and the appraiser assumes no responsibility for information relied upon later found to have been inaccurate. The appraiser reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available.
20. No opinion as to the title of the subject properties rendered. Data related to ownership and legal description was obtained from public records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management.
21. The appraiser assumes no responsibility for hidden or unapparent conditions of the property, subsoil, ground water or structures that render the subject property more or less valuable. No responsibility is assumed in arranging for engineering, geological, or environmental studies that may be required to discover such hidden or unapparent conditions.
22. The appraiser has not been provided any information regarding the presence of any material or substance on or in any portion of the subject property or improvements thereon, which material or substance possesses or may possess toxic, hNVardous and/or other harmful and/or dangerous characteristics. Unless otherwise stated in the report, the appraiser did not become aware of the presence of any such material or substance during the appraiser's inspection of the subject property. However, the appraiser is not qualified to investigate or test for the presence of such materials or substances. The presence of such materials or substances may adversely affect the value of the subject property. The value estimate in this report is predicated on the assumption that no such material or substance is present on or in the subject property or in such property or in such proximity thereto that it would cause a loss in value. The appraiser assumes no responsibility for the presence of any such substances or materials on or in the subject property, nor for any expertise or engineering knowledge required to discover the presence of such substance or material. Unless otherwise stated, this report assumes the subject property is in compliance with all federal, state and local environmental laws, regulations and rules.

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Assumptions and Limiting Conditions

23. Unless otherwise stated, the subject property is appraised assuming it to be in full compliance with all applicable zoning and land use regulations and restrictions.
24. Unless otherwise stated, the property is appraised assuming that all required licensees, permits, certificates, consents or other legislative and/or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
25. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area of the subject property was taken from sources considered reliable and no encroachment of the subject property is considered to exist.
26. No opinion is expressed as to the value of subsidiaries oil, gas, or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as expressly stated.
27. Maps, plats and exhibits included in this report are for illustration only to serve as an aid in visualizing matters discussed within the report. They should not be considered as survey or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.
28. No opinions are intended to be expressed for matters which require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.
29. Where the discounted cash flow analysis is utilized, it has been prepared on the basis of the information and assumptions stipulated in this appraisal report. The achievement of any financial projections or forecasts will be affected by fluctuating economic conditions and is dependent upon the occurrence of other future events that cannot be assured. Therefore, the actual results achieved may vary from the projections and such variation may be material.
30. Property values are influenced by a large number of external factors. The information contained in the report comprised the pertinent data considered necessary to support the value estimate. We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors which might influence the value of the subject property. Due to rapid changes in external factors, the value estimate is considered reliable only as of the effect date of the appraisal.

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Assumptions and Limiting Conditions

31. The liability of Dozier Appraisal Company, its owner and staff is limited to the Client only and to the amount of fees actually paid for the services rendered, as liquidated damages, if any related dispute arises. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the Client, the Client shall make such party aware of all Limiting Conditions and Assumptions of the assignment and related discussions. The Appraiser is in no way responsible for any cost incurred to discover or correct any deficiencies of any type present in the property, physically, financially and/or legally. The Client also agrees that in case of a lawsuit (brought by lender, partner or part owner in any form or ownership, tenancy or any other party), Client will hold appraisers completely harmless for and against any liability, loss, cost or expense incurred or suffered by appraiser in such action, regardless of its outcome.

Competency Provision

32. The appraiser undertaking this assignment warrants that he is competent in properly identifying the appraisal problem and has the necessary knowledge and experience to complete the assignment.

Entire Fee Appraised

33. At the request of the Client, the valuation reported in the appraisal report relates to the value of the entire fee simple estate considered as whole. This valuation opinion is not divisible into portions of the subject property representing less than the entire fee simple estate. For example, it may not be assumed that half of the fee simple estate has a market value of half of the market value for the entire fee simple estate.

Appraisal Without Title Policy

34. A title policy was made available to the appraiser, although the appraiser assumes no responsibility for such items of record not disclosed by the appraiser's customary investigation.

Soils/Geologic Studies

35. No detailed soils or geological studies or reports were made available to the appraiser. Premises employed in this report regarding soils and geologic qualities of the subject property have been discussed with the Client and are consistent with the information made available to the appraiser. However, such premises are not conclusive and the appraiser assumes no responsibility for soils or geological conditions discovered to be different from the conditions assumed in this report.

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Assumptions and Limiting Conditions

Earthquake Potential

36. The property which is the subject of this appraisal is within a geographic area prone to earthquakes and other seismic disturbances. Except as specifically indicated in the report, no seismic or geological studies have been provided to the appraiser concerning the geologic and/or seismic conditions of the subject property. The appraiser assumes no responsibility for the possible effect on the subject property of seismic activity and/or earthquakes.

Testimony in Court

37. Testimony or attendance in Court or at any hearing is not required by the reason of this appraisal unless further authorization to fully appraise the property involved is granted to the appraiser at a fee to be determined prior to the commencement of such additional work.

Structural Deficiencies

38. The appraiser has personally inspected the subject property, and except as noted in this report, finds no obvious evidence of structural deficiencies in any improvements located on the subject property. However, the appraiser assumes no responsibility for hidden defects or non-conformity with specific governmental requirements, such as fire, building and safety, earthquake or occupancy codes, unless inspections by qualified independent professionals or governmental agencies were provided to the appraiser. Further, the appraiser is not a licensed engineer or architect and assumes no responsibility for structural deficiencies not apparent to the appraiser at the time of his inspection.

39. American with Disabilities Act of 1990 ("ADA") became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

Termite/Pest Inspection

40. No termite or pest infestation report was made available to the appraiser. It is assumed that there is no significant termite pest damage or infestation, unless otherwise stated.

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Assumptions and Limiting Conditions

Personal Property Not Appraised

41. No consideration has been given in this appraisal as to the value of the property located on the premises considered by the appraiser to be personal property, nor has the appraiser given consideration to the costs of moving or relocating such personal property; only the real property has been considered in this appraisal.

Asbestos

42. The appraiser is not aware of the existence of asbestos in any improvement on the subject property. However, the appraiser is not trained to discover the presence of asbestos and assumes no responsibility should asbestos be found in or at the subject property. For the purposes of this report, the appraiser assumes the subject property is free of asbestos and that the subject property meets all federal, state, and local laws regarding asbestos abatement.

Archaeological Significance

43. No investigation has been made by the appraiser and no information has been provided to the appraiser regarding potential archaeological significance of the subject property or any portion thereof. This report assumes no portion of the subject property has archaeological or historical significance
44. The value stated herein is not considered appropriate for a broad based ownership such as a syndication. It is understood and agreed that the appraisal report of valuation stated herein shall not be relied upon or utilized in any syndication or real estate security registration document.